

This AGREEMENT, No. 11873, made and entered into September 17, 19 73, by and between TRANSPORTATION CORPORATION OF AMERICA, an Illinois corporation, Box 218, Chicago Heights, Illinois, (herein called "LESSOR") and MINNEAPOLIS NORTHFIELD AND SOUTHERN RAILROAD, (herein called "LESSEE"). RAILWAY

WITNESSETH:

**Description of
Leased Cars:**

(1) (a) LESSOR agrees to furnish to the LESSEE, and the LESSEE agrees to rent from LESSOR the cars shown on the Rider attached hereto and made a part hereof, and such additional Riders as may be added hereto from time to time by AGREEMENT of the parties and signed by their duly authorized representatives. Each Rider shall set forth a brief description of the car, or cars, covered thereby, including such facts as: type of car, car specifications (hereinafter referred to as "specifications"), estimated date of delivery, ownership legend, number of cars, car initials and numbers, cubic capacity, truck capacity, delivery point, rental, commodity service, term throughout which the cars shall remain in LESSEE'S service, and other options and information that may be desired by both parties.

(b) The Cars have been or are in the course of being constructed by THRALL CAR MANUFACTURING COMPANY in accordance with the specifications in the attached Rider.

**Delivery and
Acceptance:**

(2) LESSOR shall deliver the Cars to LESSEE F.O.T. as set forth in the Rider, or at such other point outside the State of Illinois, as LESSEE and LESSOR mutually agree. LESSOR shall not be liable to LESSEE for any failure or delay in making delivery of the Cars due to accident, fire, flood, explosion, labor difficulties, acts of the government including embargos, priorities and allocations, war and war conditions, delays of carriers and any other cause or causes (whether or not of the same kind as herein specifically enumerated) beyond LESSOR'S reasonable control. LESSEE will cause its authorized representative to inspect each of the Cars at the point of delivery. If the Car meets the Specifications. LESSEE shall accept the same and shall issue and deliver to the LESSOR a Certificate of Inspection and Acceptance in respect of the Car in the form attached hereto as Exhibit "A". The execution by LESSEE of such Certificate of Inspection and Acceptance shall for all purposes of this Lease be deemed to be conclusive evidence that the Car described therein has been delivered to and is in the possession of LESSEE under and subject to all the terms of this Lease.

Rent:

(3) LESSEE agrees to pay LESSOR the monthly fixed rental (over and above all other sums to be paid by LESSEE as set forth hereinafter) stated in the Rider covering said cars from the date each car is delivered as specified in the Rider, and until cars are delivered to LESSOR upon expiration of the rental term specified in the Rider applicable to such car.

163

RECORDATION NO. _____ Filed & Recorded

SEP 24 1973 - 10 50 AM

INTERSTATE COMMERCE COMMISSION

Such rentals shall be paid to the LESSOR at its address first above written, or at such other place as the LESSOR or its Assignees may hereafter direct. Payment will be made in advance on the first day of every month during the term, except that LESSEE shall pay in advance, on delivery of the cars, the prorata of one month's rent for the period intervening the date of delivery and the first day of the next succeeding month. All rents and other sums payable to the LESSOR under this Lease shall be paid in funds of the United States of America current in Chicago, Illinois.

Term of Lease:

(4) This AGREEMENT shall be effective as of the date set forth herein and shall expire upon expiration of the rental term of the last car, or cars, covered hereunder. The rental term for each car shall be as shown in the Rider covering such car unless sooner terminated in accordance with the provisions of this Lease.

**Additional Sums
Payable by LESSEE
& Payment of
Taxes:**

(5) In addition to the fixed rents payable by LESSEE under the provisions of Section 3 hereof, LESSEE shall, during the continuance of this Lease, pay all sales taxes, use taxes, excise taxes, personal property taxes, assessments and other governmental charges whatsoever, whether payable by LESSOR or LESSEE, on or relating to the Cars leased hereunder, including all such taxes, fees, assessments and charges upon LESSOR by reason of its purchase or its ownership of such Cars and all such taxes, fees, import and export duties, import and export charges, assessments and charges on the use, rental, shipment, transportation, delivery or operation of the cars leased hereunder. This Section 5 shall not, however, obligate LESSEE to pay, and there is specifically excluded from the operation of this Section 5, any and all Federal or State Income Taxes or tax of similar nature. In the event any ad valorem tax returns are required to be made on the Cars, LESSEE shall prepare and file such returns (other than in the State of Illinois) in such manner as to show ownership of the Cars by LESSOR. Any statement for such taxes received by LESSOR shall be promptly forwarded to LESSEE by LESSOR. LESSEE shall not be obligated to pay any amount under this Section 5 so long as it shall in good faith and by appropriate proceedings contest the validity or the amount of such tax.

Use of Cars:

(6) LESSEE agrees to use said cars within the continental limits of the United States and Canada (any use in Canada shall be incidental and temporary) for the transportation of the commodities stated in the Rider applicable to said cars; and that said cars will at all times be used and operated in compliance with all lawful acts, rules, regulations and orders. LESSEE will not in any way alter the physical structure of the car without the approval in writing of LESSOR.

**Surrender of
Cars at Expiration:**

(7) Upon the expiration or termination of this Lease in respect of any Car or Cars LESSEE agrees to return said cars, freight prepaid, to LESSOR at Chicago Heights, Illinois, or to such place or places as the parties hereto may agree on in writing, in good order and repair, ordinary wear and tear excepted. All obligations of LESSEE in respect of the Cars (including the payment of rental at the per diem rate in effect immediately prior to the expiration date) shall continue until the same are surrendered as herein provided.

Repairs and
Maintenance:

(8) LESSEE shall during the continuance of this Lease keep the Cars in good working order, condition and repair, reasonable wear and tear excepted and, without limiting the foregoing, shall make all replacements, changes or additions to the Cars or their equipment and appliances to the extent required from time to time by the Code of Rules of the Association of American Railroads for continuing Cars in interchange service and by applicable laws and regulations of any state or governmental body, all at LESSEE'S cost and expense. Any and all replacements, repairs and substitutions of parts of the Cars shall constitute accessions to the Cars and title thereto shall vest and remain in LESSOR.

LESSOR agrees that LESSEE shall be entitled to the proceeds of any claim or right of LESSOR or LESSEE against third persons for injury, damage or loss with respect to the Cars or the use or operation thereof, including settlements pursuant to the Association of American Railroads' rules, and LESSEE shall be subrogated to all the LESSOR'S rights of recovery therefor against any other person, firm or corporation. LESSOR hereby authorizes the LESSEE to make settlement of, receive payment and receipt for any and all such claims on behalf of LESSOR, and LESSOR agrees to execute and delivery from time to time such instruments and do such other acts and things as may be necessary or appropriate more fully to evidence LESSEE'S authority and/or to vest in LESSEE such proceeds or to effect such subrogation; and in the event of any loss, damage or destruction in respect of which the LESSEE is entitled to proceeds or subrogation as aforesaid, the LESSOR shall refrain from doing any act or executing any instrument which would prejudice the right of LESSEE to such proceeds or to such subrogation provided, however, that all cost and expenses, including court costs and attorneys' fees, in connection with enforcing or realizing upon any such claim or right to proceeds or obtaining enforcement of or realizing upon such right of subrogation, shall be borne and paid by LESSEE.

Mileage and
Railroad
Charges:

(9) (a) The LESSEE shall collect and retain all mileage earned by said cars. If LESSOR receives mileage then (unless an event of default as hereinafter defined shall have occurred and be continuing) the LESSOR shall remit such mileage to LESSEE.

If LESSOR receives any bill from any railroad concerning the terms of this Lease and related subject cars, the LESSEE shall, if so required by any rule, law, or regulation, upon being notified, pay such bill.

If during any calendar year empty mileage on any railroad exceeds the loaded mileage and is billed to the LESSOR, the LESSEE shall immediately upon being billed by the LESSOR, pay to the LESSOR for such excess at the rate established by the tariff of the railroad on which such excess of empty mileage is incurred. For purposes of this paragraph, the railroad mileage and junction reports received by LESSOR shall be prima facie evidence of the facts reported therein. Any mileage in excess of the fixed rental shall belong to the LESSEE.

**Inspection &
Inventories:**

(10) LESSEE shall allow the LESSOR at its own cost and expense to inspect the cars at any reasonable time or times. LESSEE shall furnish at least once each year, LESSOR with an accurate inventory of all cars in Service showing location at time of inventory.

**Loss, Theft or
Destruction:**

(11.1) In the event any car is lost, destroyed or is "uneconomical to repair" from any cause whatsoever (as that term is hereinafter defined) LESSEE shall promptly and fully inform LESSOR in regard to such loss, destruction, or damage, and have the option to terminate this Lease in respect of such Car on the following terms and condition:

(a) LESSEE shall give LESSOR written notice of the exercise of the option designating the date (the "settlement date") on which the Lease shall terminate in respect of the Car. The settlement date shall be not less than 10 days or more than 60 days subsequent to the date such notice is given to LESSOR; and

(b) On the settlement date LESSEE shall pay the LESSOR the "settlement value" of the car (as that term is hereinafter defined) computed as of the settlement date. Upon payment of such settlement value and payment of all rent accrued and unpaid on such Car to the date notification of loss, (i) rent on such car shall cease to accrue and (ii) LESSOR shall transfer to LESSEE, without recourse, representation or warranty of any kind, express or implied, whatever title to such car it may have. Upon such transfer, the Lease term of such car shall end. LESSOR agrees LESSEE shall retain all reimbursement (under Association of American Railroads rule) from the railroad on whose lines the car was destroyed, and LESSEE shall retain whatever salvage value may remain in the destroyed car.

(11.2) In connection with the terminations and settlements under Section 11.1 it is agreed that:

(a) The "settlement value" of any Car during each 12-month period, respectively, following the delivery of such car shall be the amount for such period set forth in the "Settlement Schedule" attached hereto and made a part hereof (if settlement is made on the first day of such 12-month period), prorated to the settlement date (if settlement is made on any other day than the first day of the relevant 12-month period).

(b) The term "uneconomical to repair" shall mean that (i) a car has been damaged to an extent that the cost of repair of the Car would exceed 75% of the settlement value of the Car, or (ii) compliance with the requirements of Section 10 hereof would require the change, replacement or addition of any appliances or equipment on any Car and the cost of such change, replacement or addition would exceed 75% of the settlement value of the Car, all as established by the Certificate signed by a designated representative of LESSEE setting forth in reasonable detail the nature of the repairs or, as the case may be, replacements, changes or additions which would be required.

(11.3) In the event that during the term of this Lease the use of any Car is requisitioned or taken by any governmental authority under the power of eminent domain or otherwise for a period which does not exceed the remaining term of this Lease, LESSEE'S duty to pay rent shall continue for the duration of such requisitioning or taking. LESSEE shall be entitled to receive and retain for its own account all sums payable for any such period by such governmental authority as compensation for requisition or taking of possession. LESSEE shall give LESSOR prompt notice of any such governmental attempt to take or requisition. LESSOR shall have the right to control the defense of any such action, all expenses, including attorneys' fees, to be paid by LESSEE.

Marking of Cars: (12) (a) LESSOR shall plainly and permanently stencil the ownership legend which is specified within the attached Rider on each new car in letters not less than one (1) inch in height and LESSEE shall immediately replace such stencilling which become illegible, wholly or in part. Should changes or additions be required in that ownership legend, LESSEE shall make such changes or additions, and the expense thereof shall be borne by the LESSOR. The LESSEE shall keep the cars free from any marking which might be interpreted as a claim of ownership thereof by anyone other than the LESSOR and will change, or permit to be changed, the identifying road numbers; provided, however, LESSEE shall have the right to identify such cars with its Corporate Logo.

(b) LESSEE represents and warrants that subject cars are now and shall remain throughout the term of this lease marked and identified in accordance with the car numbers and other identification marks provided for within the Riders which are now and which shall hereafter be attached hereto.

Indemnification: (13) Except while cars are in the possession of LESSOR, LESSEE will indemnify and hold LESSOR harmless against any and all losses, damages, injuries, claims, demands and expenses, including legal expenses, of whatsoever kind or nature by or to any of the cars hereby leased, or to or by the contents thereof, howsoever occurring, and will indemnify LESSOR against any loss, fee, expense, or damage suffered by it by reason of, or arising out of, any default by LESSEE hereunder.

The indemnities and assumptions of liabilities herein set forth shall continue in full force and effect as to losses, damages and injuries occurring and claims and demands arising on account of the use or operation of any car while it is subject to this Lease, notwithstanding the termination of this Lease or the termination of the term hereof, in respect of any car, whether by expiration of time, by operation of law, or otherwise. The LESSOR shall give the LESSEE prompt notice of any claim or liability hereby indemnified against, and the LESSEE shall be entitled to control the defense thereof.

Insurance:

~~(14) (a) The LESSEE shall at all times at its own cost and expenses obtain and maintain insurance on all the cars against loss by fire, theft, collision, flood, windstorm and explosion and with extended coverage and against such other risks as are customarily insured against by companies owning property of a character similar to the cars. Such insurance shall be obtained and maintained in an amount for each car of not less than the depreciated valuation of such cars as provided for in the Interchange Rules of the Association of American Railroads;~~

(b) LESSEE further agrees that as to each car which is the subject of this Lease it will at all times at its own cost and expense obtain and maintain insurance in the form of a comprehensive general liability policy covering against liability for bodily injury, death and property damage with limits of not less than \$3,000,000.00 in respect of any one occurrence;

(c) All such insurance shall cover both the interest of the LESSOR and the LESSEE in the cars, or as the case may be, shall protect the LESSOR and the LESSEE in respect of risks arising out of the condition, maintenance use or operation of the cars and shall provide that losses, if any, in respect of the cars shall be payable to the LESSEE and the LESSOR as their respective interests may appear; provided, however, that in the event the LESSOR has mortgaged any car, the LESSEE upon being notified in writing of any such mortgage by the LESSOR shall cause such insurance to provide that losses, if any, in respect of such car shall be payable under a standard mortgage loss payable clause to the mortgagee as its interest may appear. The LESSEE shall furnish the LESSOR with certificates or other satisfactory evidence of the maintenance of the insurance required hereunder and with respect to any renewal policy or policies shall furnish certificates evidencing such renewal prior to the expiration of the original policy or policies.

(d) If LESSEE fails to provide said insurance, LESSOR may procure such insurance, and LESSEE shall upon demand reimburse LESSOR ~~for all outlays for such insurance.~~

Sub-Leasing:

(15) LESSEE will not sub-lease said cars or assign any of its rights hereunder, except to a subsidiary company, without the written consent of the LESSOR.

Liens:

(16) The LESSEE shall keep the cars free from any and all encumbrances, security interests, and liens which may be a cloud upon, or otherwise affect the LESSOR'S title.

No mortgage, deed of trust, or other lien of any nature whatsoever which now covers or affects, or which may hereafter cover or affect any property or interest therein of the LESSEE, now attaches or will hereinafter attach to the units leased hereunder or in any manner affects or will affect adversely the LESSOR'S right, title and interest therein; provided, however, that each lien may attach to the rights of the LESSEE hereunder in and to the units leased hereunder, and LESSEE will keep the Cars free and clear of any and all liens, charges and encumbrances which may be levied against or imposed upon the Cars as a result of the failure of the LESSEE for any reason to perform or observe any of the covenants or agreements required to

be performed or observed by the LESSEE hereunder, and of any and all liens, encumbrances and charges of persons claiming by, through or under the LESSEE, firm or corporation in possession of any Car under the provisions of Section 11.2 hereof.

Default:

(17) LESSEE shall make default in the payment of any installment of rent (including as rent within the meaning of this paragraph the sums payable by the LESSEE under Section 11 hereof) and such default shall in any case continue for more than 10 days after a statement or invoice therefor has been received by LESSEE; or

(b) LESSEE shall make a voluntary assignment or transfer of LESSEE'S interest as LESSEE hereunder (in a manner or to a person not permitted by the terms hereof) or of all or substantially all of its property; or

(c) LESSEE shall for more than 30 days after LESSOR shall have demanded in writing performance thereof fail or refuse to comply with any other of the terms and covenants herein on its part to be kept and performed, or to make provision satisfactory to LESSOR for such compliance; or

(d) LESSEE shall become insolvent or bankrupt or admit in writing its inability to pay its debts as they mature or shall make an assignment for the benefit of its creditors; or

(e) Default shall occur under any evidence of indebtedness issued or assumed by LESSEE, or under any indenture, agreement or other instrument under which the same may be issued and such default shall continue for a period of time sufficient to permit the acceleration of the maturity of any such indebtedness; or

(f) A petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may be hereinafter amended, shall be filed by or against LESSEE, and all the obligations of LESSEE under this Lease shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings or otherwise given a status comparable to obligations incurred by such a trustee or trustees within 30 days after such appointment, if any, or 60 days after such petition shall have been filed, whichever shall be earlier to occur; or

(g) Any other proceedings shall be commenced by or against the LESSEE for any relief under any Bankruptcy or Insolvency Laws or laws relating to the relief of debtors, readjustments of indebtedness reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the obligations of LESSEE hereunder), and all the obligations of LESSEE under this Lease shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for LESSEE or for the property of LESSEE in connection with any such proceedings or otherwise given a status comparable to obligations incurred by such a trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be the earlier;

then in such case (herein sometimes called "event of default") in addition to all rights and remedies now or hereafter provided by law, for the repossession of the Cars and for the recovery of damages occasioned by LESSEE'S default, LESSOR shall have the following rights and remedies, all of which shall be cumulative. LESSOR, at its option, may:

(i) Elect only to terminate LESSEE'S right of possession (but not to terminate the Lease), without releasing LESSEE in whole or in part from its obligations hereunder for the remaining term of this Lease, and thereupon take possession of any or all of the Cars as provided herein. LESSOR may, but need not, repossess the Cars and relet the same or any part thereof to others for such rent and upon such terms as it may see fit. The proceeds of any such reletting shall first be applied to the expense of retaking and reletting of the Cars and delivery to the new LESSEE, and then to the payment of rent due under this Lease. LESSEE shall pay any deficiency remaining due after so applying the proceeds as the same shall accrue. LESSOR shall not be required to accept or receive any Lease offered by LESSEE. The election by the LESSOR to relet the Cars and the acceptance of a new LESSEE, shall not operate to release LESSEE from liability for any existing or future default in any other covenant or promise herein contained.

(ii) Declare this Lease terminated and recover from LESSEE as liquidated damages, but not as penalty, all amounts which are then due and payable under this Lease, and an aggregate sum, which at the time of such termination, represents the excess, if any, of the then present value of the aggregate rents which would have accrued for the balance of the term of this Lease over the then present value of the aggregate fair rental value of the Cars for the balance of the term, such present worth to be computed in each case on the basis of a 6-1/4% per annum discount from the respective dates upon which such rents would have been payable hereunder had this Lease not been terminated.

(iii) Proceed by appropriate court action or actions either at law or in equity to enforce performance by the LESSEE of the applicable covenants and terms of this Lease or to recover from LESSEE, any and all damages or expenses including reasonable attorney's fees, which LESSOR shall have sustained by reason of LESSEE'S default in any covenant or covenants of this Lease or on account of LESSOR'S enforcement of its remedies hereunder.

(iv) Recover or take possession of any or all of the Cars wherever same may be found.

(17.2) Without limiting the foregoing, it is specifically understood that any modification, limitation, or discharge of LESSEE'S liability under the Lease arising out of or by virtue of any bankruptcy arrangement, reorganization or similar proceeding for relief of debtors under federal or state law hereunder initiated by or against the LESSEE shall not affect or act to modify, limit, or discharge the liability of the LESSEE in any manner whatsoever, and this guarantee shall remain

in full force and effect and shall be enforceable against the LESSEE, to the same extent and with the force and effect as if such proceedings had not been instituted; and it is the intent and purpose of this guarantee that the LESSEE waive, and the LESSEE does hereby waive, all rights and benefits which might accrue to it by reason of any such proceeding and that it shall be liable for the full amount of rents and other sums, including all damages imposed, payable under the terms of the Lease, irrespective and without regard to any modification, limitation or discharge of the liability of the LESSEE that may result from any such proceedings. In the event any statute or ruling of law requires this clause to be void or of no effect, it is then hereby rendered void and of no effect and its insertion herein shall have no effect upon the legality or enforceability of any other portion of this "Master Car Leasing Agreement".

(17.3) In the event any Cars are to be surrendered to the LESSOR pursuant to any of the foregoing provisions of Section 17.1, and the LESSOR shall not otherwise elect by written instrument delivered to the LESSEE, LESSEE shall forthwith deliver possession of the Cars to LESSOR in good order and repair, ordinary wear excepted. For the purpose of delivering possession of any Cars to LESSOR as above required, LESSEE shall at its own cost and expense, forthwith:

(a) assemble such Cars and place them upon storage tracks at any point on such lines as may be designated by LESSOR;

(b) provide storage at the risk of the LESSEE for such Cars on such tracks for a period of 100 days after written notice to the LESSOR specifying the place of storage and car numbers of the Cars so stored; and

(c) cause the same or any thereof to be transported, at any time within such 100 day period, to any place or places on lines of a railroad within a 75-mile radius of such storage tracks on which the Cars have been assembled, all as directed by LESSOR.

The assembling, delivery, storage and transporting of the Cars as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having a jurisdiction in the premises, the LESSOR shall be entitled to a decree against LESSEE requiring specific performance of the covenants of LESSEE so to assemble, deliver, store and transport the Cars.

(17.4) The remedies herein provided in favor of LESSOR in the event of default as hereinabove set forth shall not be deemed to be exclusive, but shall be cumulative and shall be in addition to all other remedies in its favor existing in law, in equity or in bankruptcy.

assignment by
LESSOR for
Security Pur-
poses:

(18) LESSOR hereby reserves the right to assign this Lease and all rents and other sums due and to become due hereunder to any Assignee or Trustee designated by LESSOR. Said Assignment may be absolute or may be to an Assignee or Trustee designated by LESSOR as collateral security for indebtedness of LESSOR incurred to provide funds to pay or reimburse LESSOR for the payment of the purchase price of the Cars, such Assignee being hereinafter referred to as the "Assignee" or "Secured Assignee". Upon such assignment LESSOR shall give written notice to LESSEE stating the name and post office address of the Assignee or Secured Assignee and all rents and other sums payable by the LESSEE which are the subject matter of such assignment shall be paid to such Assignee or Secured Assignee, or as such Assignee or Secured Assignee shall direct. The Assignee or Secured Assignee shall not be bound by or obligated to perform or see to the performance of any duty, covenant or condition or warranty (express or implied) made by the LESSOR or required to be observed or performed by the LESSOR under any of the terms hereof, but on the contrary, the LESSEE by its execution hereof acknowledges and agrees that notwithstanding such assignment each and all of such covenants and agreements of the LESSOR and all representations and warranties shall survive such assignment and shall be and remain the sole liability of LESSOR and of every person, firm or corporation succeeding (by merger, consolidation, purchase of assets or otherwise) to all or substantially all of the business, assets or good will of LESSOR. Without limiting the foregoing, the LESSEE further acknowledges and agrees that in the event of such assignment, the rights of such Assignee or Secured Assignee in and to the sums payable by the LESSEE under any provisions of this Lease shall not be subject to any abatement whatsoever, and shall not be a subject to any defense, set-off, counterclaim or recoupment whatsoever whether by reason of any damage to or loss or destruction of any Car, or any part thereof, or by reason of any defect in or failure of title of LESSOR or interruption from whatsoever cause (other than from the wrongful act of such Assignee or Secured Assignee) in the use, operation or possession of any Car, or any part thereof, or by reason of any indebtedness or liability, howsoever and whenever arising, of LESSOR to the LESSEE, or to any other person, or for any other reason whatever, it being the intent hereof that LESSEE shall be absolutely and unconditionally obligated to pay all such sums to the Assignee or Secured Assignee except in the event of a wrongful act of the Assignee or Secured Assignee. It is further understood and agreed that the Cars have been or may be mortgaged by the LESSOR to such Assignee or Secured Assignee under a Chattel Mortgage or Mortgages. In any such event, the right, title and interest of the mortgages under any Chattel Mortgage covering any Cars shall by the express terms of such Chattel Mortgage, be subject to the right, title and interest of the LESSEE in and to such Cars.

LESSOR and LESSEE acknowledge and agree that in the event of such assignment and upon notice thereof to the LESSEE the Assignee or Secured Assignee shall have the sole right to exercise all rights, privileges and remedies (either in its own name or in the name of the LESSOR for the use and benefit of the Assignee or Secured Assignee) which by the terms of the Lease or by applicable law are permitted or provided to be exercised by LESSOR, and the LESSEE will take direction from the Assignee or Secured Assignee with respect to the Cars and the payment of rents, and upon the termination hereof will deliver the Cars to such Assignee or Secured Assignee or upon its order.

All terms, provisions, covenants and agreements contained in this Section 18 shall inure to the benefit of the Assignee or Secured Assignee and its successors and assigns, including each and every successive holder of the indebtedness secured by the assignment referred to in this section.

Warranty:

(19) LESSOR guarantees that the equipment will be built in accordance with the specifications and drawings, and, except in cases of articles and materials specified by LESSEE and not manufactured by Thrall Car Manufacturing Company, warrants the Cars to be free from defects in material and workmanship under normal use and service, the liability of LESSOR under this warranty being limited to repair of the defect at LESSOR'S plant or at some other place designated by the LESSOR. LESSEE shall give LESSOR a reasonable opportunity to inspect any Cars claimed to be defective under the Warranty in order that LESSOR can ascertain the nature of the defect and determine the estimated cost of repairs to LESSOR.

The warranty shall not apply to articles or materials not manufactured by Thrall Car Manufacturing Company, as to which LESSOR has been unable to secure a similar agreement from the supplier thereof after exercising reasonable efforts to do so, but without payment of premium or loss of other competitive terms or conditions.

The foregoing warranty of LESSOR shall begin at the time of delivery of each Car to LESSEE and terminate one year after such delivery. This warranty is expressly in lieu of all other warranties expressed or implied on the part of LESSOR, and LESSOR neither assumes nor authorizes any person to assume for it any other warranty liability in connection with the construction and delivery of each Car except for the Patent Indemnity which follows.

Patent

Indemnification:

(20) LESSOR shall (except for articles or materials specified by LESSEE and also except for designs, systems, processes and formulae used in the construction of subject cars as a result of LESSEE'S specifications) indemnify, protect and save harmless the LESSEE from all claims, demands, damages, including royalties, judgments (including court costs), attorney's fees, and expense in any way arising out of, or on account of, the use of any or all patented inventions, employed in and about the construction, repair, alterations, or improvements of the cars, or any part thereof, which are incorporated in any car by the LESSOR or by Thrall Car Manufacturing Company at the date that car is delivered to the LESSEE pursuant to the terms of this Lease or any Riders added hereto.

**Transfer of
Manufacturer's
Warranty:**

(21) Except to the extent specified in Section 19 hereof, LESSEE by its execution of the Certificate of Inspection and Acceptance acknowledges, and agrees that (i) the cars are of a size, design, capacity and manufacture selected by LESSEE and in all respects conform with the requirements of the Rider which is attached hereto, (ii) LESSOR has not made any representation or warranty with respect to the merchantability, condition, quality, durability or suitability of the Cars in any respect or in connection with or for the purposes and uses of the LESSEE or any other representation or warranty of any kind or character expressed or implied with respect thereto, and (iii) that LESSOR shall not be liable to LESSEE for any liability, claim, loss, damage or expense of any kind or nature caused directly or indirectly by the Cars or the inadequacy thereof for any purpose or any deficiency or defect therein or any interruption or loss of service or use thereof. LESSOR hereby transfers and assigns to the LESSEE for and during the term of this Lease all of its right, title and interest in, under and to any manufacturer's warranty in respect of the Cars and agrees to execute and deliver such further instrument and to do such further acts as may be necessary to enable the LESSEE to obtain customary warranty service for the Cars by the Manufacturer.

Filing:

(22) Prior to the delivery and acceptance of the first car, LESSOR intends (at the expense of the LESSEE) to cause this Lease to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20(c) of the Interstate Commerce Act. LESSEE will, upon request of the LESSOR, also promptly cause this Lease to be filed, registered and recorded (and re-filed, re-registered and re-recorded whenever and wherever required) in each place in the United States of America or elsewhere as and when designated by the LESSOR for the proper protection, to the satisfaction of the LESSOR, of LESSEE'S title to the Cars. The LESSEE will pay all costs, charges and expenses incident to the filing, re-filing, registering, re-registering, recording and re-recording of any such further instruments or incident to the taking of any such further action. The LESSEE will promptly furnish to the LESSOR certificates or other evidence of all such filing, registering, and recording in form satisfactory to LESSOR.

**Opinions of
Counsel:**

(23) Upon request, the LESSEE shall furnish the LESSOR with a favorable written Opinion of Counsel for the LESSEE (in the event any party to the Lease is a corporation not incorporated in any State of the United States of America, such favorable written opinion shall be that of the LESSEE'S house counsel and a separate favorable opinion of independent attorneys admitted to practice in the same area in which the non-United States Corporation is incorporated) with respect to the organization, existence and good standing of the LESSEE and the validity of the Lease, and to the effect that the execution and delivery of the Lease and the performance by the LESSEE of its obligations thereunder are not in contravention of any provision of law or any charter or by-law the LESSEE or any of its properties, all in scope and content reasonably satisfactory to the LESSOR and accompanied by a certified copy of the minutes of the meeting of the Board of Directors of the LESSEE authorizing the execution of this Lease and also accompanied by a Certificate of Incumbency for the LESSEE relating to the officers who are signing on behalf of the LESSEE.

Upon request, the LESSOR shall provide the LESSEE with a favorable written Opinion of the LESSOR'S counsel that the LESSOR has good title to the Cars which are the subject of this Lease and that they are free and clear of any liens and encumbrances and any claims of third persons, excepting only the lien of assignee under terms of an assignment of this Lease and of current valorem taxes not in default and the right, title and interest of the LESSEE under the Lease.

Miscellaneous:

(24) The LESSEE will deliver, in duplicate:

~~(a) as soon as available and in any event within 90 days~~
after the end of each quarterly fiscal period of the LESSEE (except the last such period in each fiscal year), a copy of the balance sheet of LESSEE as at the end of such period and surplus analysis and a profit and loss statement of LESSEE for the period of the current fiscal year ending at the date of the balance sheet, prepared and ~~certified by the principal accounting officer of the LESSEE, and~~ *PL* *D&D*

(b) as soon as available and in any event within 120 days after the close of each fiscal year of the LESSEE a complete audit report certified by independent public accountants of recognized standing covering the operations of the LESSEE for such fiscal year and containing a balance sheet and an income and surplus statement of the LESSEE for such fiscal year, prepared in comparative form covering the preceding fiscal year.

(25) This Lease shall be binding upon and shall inure to the benefit of the LESSOR and LESSEE and their respective successors and assigns. This Lease may be executed in any number of counterparts, each counterpart constituting an original but all together one and the same instrument and contract.

(26) This Lease constitutes the entire understanding of the parties in respect to the Cars and the rights of the parties thereto.

Notice:

(27) Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States mails, first-class postage prepaid, if addressed in accordance with the schedule of addresses which is attached hereto and made a part hereof, or if addressed to either party at other addresses as such parties shall hereafter furnish to the other party in writing.

(28) The terms of this AGREEMENT and all rights and obligations hereunder shall be governed by the laws of the State of Illinois, in which state it has been executed and delivered.

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be signed and sealed by their respective corporate officers and duly attested, as of the date first above written.

TRANSPORTATION CORPORATION
OF AMERICA (LESSOR)

By: 

Title: Vice President

(CORPORATE SEAL)

ATTEST:


Asst. Secretary


MINNEAPOLIS, NORTHELD and
SOUTHERN RAILWAY (LESSEE)

By: 

Title: President
Executive Vice President

(CORPORATE SEAL)

ATTEST:


Secretary

SCHEDULE OF COMPUTATION OF SETTLEMENT VALUE

<u>ANNUAL PERIOD FOLLOWING DELIVERY OF CAR</u>	<u>PERCENTAGE</u>
1st	100%
2nd	95%
3rd	90%
4th	85%
5th	80%
6th	75%
7th	70%
8th	65%
9th	60%
10th	50%
11th	45%
12th	35%
13th	25%
14th	20%
15th	20%

The above percentages shall be applied to cost
of cars as follows:

<u>Types of Cars</u>	<u>C o s t (U. S. Currency)</u>
Flat Cars	\$22,240/per car

TRANSPORTATION CORPORATION OF AMERICA
SCHEDULE NO. 1187301
TO MASTER CAR LEASING AGREEMENT NO. 11873

IT IS HEREBY AGREED THAT, effective September 17, 1973, this schedule between a part of Master Car Leasing Agreement number 11873, between TRANSPORTATION CORPORATION OF AMERICA and MINNEAPOLIS NORTHFIELD AND SOUTHERN RAILWAY ~~RAILROAD~~ dated September 17, 1973, and the cars described herein shall be placed in MINNEAPOLIS NORTHFIELD AND SOUTHERN RAILWAY ~~RAILROAD~~ service, subject to the terms and for the rental set forth below:

CAR INITIAL AND NUMBERS:	MN&S 752 thru 757, both inclusive
CAR OWNERS MARKS:	TRANSPORTATION CORPORATION OF AMERICA OWNER AND LESSOR
CLASS OF CAR:	Flat Cars
NO. OF CARS:	SIX (6)
TRUCK CAPACITY:	70-Ton
RENTAL RATE:	TWO HUNDRED FOUR (\$204.00) DOLLARS per car per month
RENTAL TERM:	180 months from September 21, 1973

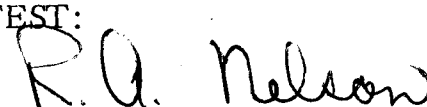
(Seal)
ATTEST:


Asst. Secretary

TRANSPORTATION CORPORATION
OF AMERICA (Lessor)

By: 
Vice President

(Seal)
ATTEST:


Asst. Secretary

MINNEAPOLIS NORTHFIELD AND
SOUTHERN ~~RAILROAD~~ RAILWAY (Lessee)

By: 
Title: Executive Vice President